



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/722,018	11/25/2003	Masanobu Nishimaki	280A 3421-CIP-11	7002
3713	7590	02/12/2008	EXAMINER	
QUINN EMANUEL KODA & ANDROLIA 865 S. FIGUEROA STREET, 10TH FLOOR LOS ANGELES, CA 90017			TROTTER, SCOTT S	
			ART UNIT	PAPER NUMBER
			3694	
			MAIL DATE	DELIVERY MODE
			02/12/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)
	10/722,018	NISHIMAKI, MASANOBU
	Examiner	Art Unit
	SCOTT S. TROTTER	3694

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 28 December 2007.
- 2a) This action is FINAL. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 8-15 and 18-22 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 8-15 is/are rejected.
- 7) Claim(s) 18-22 is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All b) Some * c) None of:
1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ . |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ . | 6) <input type="checkbox"/> Other: _____ . |

DETAILED ACTION

Restriction election

1. The Office acknowledges the receipt of Applicant's restriction election, filed December 28, 2007. Applicant elects Group II, claims 8-15, and 18-22, without traverse since there was no statement that the restriction was being traversed or reasons given for such a statement. Claims 1-35 are pending. Claims 1-7, 16, 17, and 23-35 are nonelected. Claims 8-15, and 18-22 are examined in the instant application. This restriction is made FINAL.

Claim Objections

2. Claims 1 - 35 are objected to because of the following informalities: All claims must start out with the language "I claim." See MPEP 608.01 (j). Appropriate correction is required.

3. Claims 18-22 are objected to under 37 CFR 1.75(c) as being in improper form because a multiple dependent claim cannot depend from any other multiple dependent claim which claims 15-17 are multiple dependent claims. See MPEP § 608.01(n). Accordingly, the claims 18-22 have not been further treated on the merits.

Specification

4. Applicant is required to update the status (pending, allowed, etc.) of all parent priority applications in the first line of the specification. The status of all citations of US filed applications in the specification should also be updated where appropriate.

Double patenting

5. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the “right to exclude” granted by a patent and to prevent possible harassment by multiple assignees. A nonstatutory obviousness-type double patenting rejection is appropriate where the conflicting claims are not identical, but at least one examined application claim is not patentably distinct from the reference claim(s) because the examined application claim is either anticipated by, or would have been obvious over, the reference claim(s). See, e.g., *In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) or 1.321(d) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent either is shown to be commonly owned with this application, or claims an invention made as a result of activities undertaken within the scope of a joint research agreement.

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

6. Claims 1-35 are provisionally rejected on the ground of nonstatutory obviousness-type double patenting as being unpatentable over claims 1-35 of copending application 10/449,224. Although the conflicting claims are not identical, they are not patentably distinct from each other because they both disclose an exchange transaction system for financial instruments and other products are created via at least one computer network and users can complete exchange transactions between and/or among themselves.

This is a provisional obviousness-type double patenting rejection because the conflicting claims have not in fact been patented. Please file disclaimers for the above mentioned patents.

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

8. Claims 8, 10, 12, and 15 are rejected under 35 U.S.C. 102(e) as being anticipated by Shkedy (U.S. Patent 6,236,972 B1).

As per claim 8 Shkedy teaches:

A computer system for supporting disintermediated financial transactions between end customers selected from the group consisting of end capital managers, end capital raisers and end capital transactors, wherein the system comprises:

(a) at least one computer equipped to function as a web server and a database server;
(See *Shkedy column 9 lines 6-14*. Includes a web server and database searches which necessitates a database.)

(b) a plurality of user terminals of said end customers; (See *Shkedy Figure 1*)

(c) at least one computer network connecting said computer and said user terminals;
(See *Shkedy column 8 lines 55-60*)

(d) one or more financial instrument databases storing data regarding financial transactions selected from the group consisting of capital raising, capital management, secondary offerings and capital transactions; (See *Shkedy column 10 lines 3-14*) and

(e) any one or more other databases selected from the group consisting of:

- (i) one or more contract management databases storing data regarding at least one of financial transaction agreements, prospectuses, reports and disclosures; (*See Shkedy column 9 lines 64-column 10 lines 2*)
- (ii) one or more settlement management databases storing data regarding at least one of funds settlement and securities settlement; (*See Shkedy column 10 lines 15-26*)
- (iii) one or more data distribution databases storing at least one of capital management reference data, capital raising proposal data and capital transaction proposal data; (*See Shkedy column 9 lines 64-column 10 lines 2. Prospectuses are capital raising proposal data.*) and
- (iv) one or more client information databases storing data regarding users of said system, (*See Shkedy column 9 lines 48-56*) and the system is arranged to enable at least one of an auction mode and a negotiation mode, the auction mode for directly matching according to the principle of balance of supply and demand, (*See Shkedy column 12 lines 24-40*)

financial transaction orders selected from the group consisting of capital raising orders, capital management orders, secondary offering orders and capital transaction orders, (*See Shkedy Abstract and column 10 lines 8-11*. While most transactions would be secondary offering orders the direct buy option would be a capital raising order for the mutual fund company involved.) and the negotiation mode for providing communication channels between said end customers so that the end customers can directly negotiate with one another to complete said financial transactions.

As per claim 10 Shkedy teaches:

The disintermediated financial transaction system according to claim 8, wherein said financial transaction is capital management, the system further comprising:

- (a) transmission means by which two or more of the user terminals send said computer buying orders and selling orders of a capital management product; (See *Shkedy column 12 lines 24-40*)
- (b) receiving means by which the computer receives the buying orders and the selling orders sent from the user terminals by said transmission means; (See *Shkedy column 12 lines 24-40*)
- (c) storage means by which the computer stores the buying orders and the selling orders received by said receiving means; (See *Shkedy column 14 lines 6-12*)
- (d) matching means by which the computer compares the buying orders and the selling orders stored by said storage means to determine whether or not their conditions match; (See *Shkedy column 14 lines 52-column 15 line 3*)
- (e) updating means by which, if the computer determines with said matching means that their conditions match, the computer completes transactions between the buying orders and the selling orders and updates the respective orders stored by said storage means; (See *Shkedy column 15 lines 4-10*) and
- (f) notifying means by which the computer notifies the user terminals of the respective transaction results brought about by said matching means. (See *Shkedy column 15 lines 8-10*)

As per claim 12 Shkedy teaches:

The disintermediated financial transaction system according to claim 8, wherein said financial transaction is a capital transaction, the system further comprising:

- (a) transmission means by which two or more of the user terminals send said computer long position orders and short position orders of a capital transaction product; (See *Shkedy column 12 lines 24-40*)
- (b) receiving means by which the computer receives the long position orders and the short position orders sent from the user terminals by said transmission means; (See *Shkedy column 12 lines 24-40*)
- (c) storage means by which the computer stores the long position orders and the short position orders received by said receiving means; (See *Shkedy column 14 lines 6-12*)
- (d) matching means by which the computer compares the long position orders and the short position orders stored by said storage means to determine whether or not their conditions match; (See *Shkedy column 14 lines 52-column 15 line 3*)
- (e) updating means by which, if the computer determines with said matching means that their conditions match, the computer completes capital transactions between the long position orders and the short position orders and updates the respective orders stored by said storage means; (See *Shkedy column 15 lines 4-10*) and
- (f) notifying means by which the computer notifies the user terminals of the respective transaction results brought about by said matching means. (See *Shkedy column 15 lines 8-10*)

As per claim 15 Shkedy teaches:

The disintermediated financial transaction system according to any one of claims 8, (Only claim 8 is dealt with here the other claims are dealt with under 103) 9, 13 and 14, wherein object products of said financial transactions are any one or more capital raising products selected from the group consisting of borrowings, bonds, equities and commercial papers. (See *Shkedy Abstract*. Mutual Fund shares are equities.)

Claim Rejections - 35 USC § 103

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 9, 11, and 13-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Shkedy in view of Silverman et al. (U.S. Patent 5,924,082 hereafter Silverman).

As per claim 9 Shkedy teaches:

The disintermediated financial transaction system according to claim 8, wherein said financial transaction is capital raising, the system further comprising:

(a) first transmission means by which a terminal of a prospective capital raiser sends said computer a capital raising order; (See *Shkedy column 12 lines 24-40*)
(b) first receiving means by which the computer receives the capital raising order sent from the terminal of the prospective capital raiser by the first transmission means; (See *Shkedy column 12 lines 24-40*)

- (c) first storage means by which the computer stores the capital raising order received by the first receiving means; (*See Shkedy column 14 lines 6-12*)
- (d) disclosure means by which the computer discloses said capital raising order to terminals of specified or unspecified potential capital managers; (*See Silverman column 4 lines 50-67*)
- (e) second transmission means by which one or more of the terminals of the potential capital managers send the computer their capital management orders targeting the prospective capital raising based on the capital raising order disclosed by the computer with said disclosure means; (*See Shkedy column 12 lines 24-40*)
- (f) second receiving means by which the computer receives the capital management orders sent from the terminals of the potential capital managers by the second transmission means; (*See Shkedy column 12 lines 24-40*)
- (g) second storage means by which the computer stores the capital management orders received by the second receiving means; (*See Shkedy column 14 lines 6-12*)
- (h) matching means by which the computer compares the capital raising order and the capital management orders respectively stored by the first and the second storage means to determine whether or not their conditions match; (*See Shkedy column 14 lines 52-column 15 line 3*)
- (i) updating means by which, if the computer determines with said matching means that their conditions match, the computer completes the capital raising between the capital raising order and the capital management orders and updates the capital raising order

and the capital management orders respectively stored by the first and the second storage means; (See *Shkedy column 15 lines 4-10*) and

(j) notifying means by which the computer notifies the terminal of the prospective capital raiser and the terminals of the potential capital managers of the respective transaction results brought about by said matching means. (See *Shkedy column 15 lines 8-10*)

While Shkedy does not explicitly teach disclosing the orders to other terminals Silverman taught disclosing the orders to other terminals to give them the chance to accept the proffered terms making a trade. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to disclose the bids to other terminals to encourage trading.

As per claim 11 Shkedy teaches:

The disintermediated financial transaction system according to claim 8, wherein said financial transaction is a secondary offering, the system further comprising:

(a) first transmission means by which a terminal of a prospective selling holder sends said computer a secondary offering order of a capital management product; (See *Shkedy column 12 lines 24-40*)

(b) first receiving means by which the computer receives the secondary offering order sent from the terminal of the prospective selling holder by the first transmission means; (See *Shkedy column 12 lines 24-40*)

(c) first storage means by which the computer stores the secondary offering order received by the first receiving means; (See *Shkedy column 14 lines 6-12*)

- (d) disclosure means by which the computer discloses said secondary offering order to terminals of specified or unspecified potential purchasers; (*See Silverman Abstract*)
- (e) second transmission means by which one or more of the terminals of the potential purchasers send the computer their purchase orders targeting the prospective secondary offering based on the secondary offering order disclosed by the computer with said disclosure means; (*See Shkedy column 12 lines 24-40*)
- (f) second receiving means by which the computer receives the purchase orders sent from the terminals of the potential purchasers by the second transmission means; (*See Shkedy column 12 lines 24-40*)
- (g) second storage means by which the computer stores the purchase orders received by the second receiving means; (*See Shkedy column 14 lines 6-12*)
- (h) matching means by which the computer compares the secondary offering order and the purchase orders respectively stored by the first and the second storage means to determine whether or not their conditions match; (*See Shkedy column 14 lines 52-column 15 line 3*)
- (i) updating means by which, if the computer determines with said matching means that their conditions match, the computer completes the secondary offering between the secondary offering order and the purchase orders and updates the secondary offering order and the purchase orders respectively stored by the first and the second storage means; (*See Shkedy column 15 lines 4-10*) and

(j) notifying means by which the computer notifies the terminal of the prospective selling holder and the terminals of the potential purchasers of the respective transaction results brought about by said matching means. (*See Shkedy column 15 lines 8-10*)

While Shkedy does not explicitly teach disclosing the orders to other terminals Silverman taught disclosing the orders to other terminals to give them the chance to accept the proffered terms making a trade. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to disclose the bids to other terminals to encourage trading.

As per claim 13 Shkedy teaches:

The disintermediated financial transaction system according to claim 8, wherein said financial transaction is a negotiated transaction, the system further comprising:

(a) transmission means by which a terminal of a prospective initiating transactor of a financial instrument sends a request for a negotiated transaction to a terminal of at least one potential negotiation counterparty; (*See Shkedy column 12 lines 24-40*)

(b) first receiving means by which a terminal of a potential negotiation counterparty receives the request for the negotiated transaction sent from the terminal of the prospective initiating transactor by said transmission means; (*See Shkedy column 12 lines 24-40*)

(c) returning means by which the terminal of the potential negotiation counterparty returns a decision of acceptance, rejection or negotiation with respect to the request for the negotiated transaction received by the first receiving means, to the terminal of the prospective initiating transactor; (*See Silverman column 4 lines 50-67*)

(d) second receiving means by which the terminal of the prospective initiating transactor receives the decision returned from the terminal of the potential negotiation counterparty by said returning means; (See *Shkedy column 12 lines 24-40*) and

(e) notifying means by which at least one of the terminal of the prospective initiating transactor and the terminal of the potential negotiation counterparty notifies said computer of the result of completion or non-completion of the negotiated transaction.
(See *Shkedy column 15 lines 8-10*)

While Shkedy does not explicitly teach disclosing the orders to other terminals Silverman taught disclosing the orders to other terminals to give them the chance to accept the proffered terms making a trade. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to disclose the bids to other terminals to encourage trading.

As per claim 14 Shkedy teaches:

The disintermediated financial transaction system according to claim 13, wherein the system further comprises:

(a) transmission means by which said terminal of said prospective initiating transactor sends said computer a request for a negotiated transaction of a financial instrument;
(See *Silverman Abstract*)

(b) receiving means by which the computer receives the request for the negotiated transaction sent from the terminal of the prospective initiating transactor by said transmission means; (See *Silverman Abstract*)

- (c) specifying means by which the computer specifies at least one potential negotiation counterparty who matches the request for the negotiated transaction received by said receiving means; (See *Silverman Abstract*) and
- (d) notifying means by which the computer notifies the terminal of the prospective initiating transactor of contact information on the potential negotiation counterparty or counterparties specified by said specifying means. (See *Silverman Abstract*)

While Shkedy does not explicitly teach establishing contact between the two parties to the transaction for negotiating the orders Silverman taught negotiating the orders to other terminals to give them the chance to negotiate over the proffered terms making a trade. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to disclose the bids to other terminals to encourage trading.

As per claim 15 Shkedy teaches:

The disintermediated financial transaction system according to any one of claims 8, 9, 13 and 14, wherein object products of said financial transactions are any one or more capital raising products selected from the group consisting of borrowings, bonds, equities and commercial papers. (See *Shkedy Abstract*. Mutual Fund shares are equities.)

Conclusion

11. Examiner's Note: The Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are

applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

12. Any inquiry concerning this communication from the examiner should be directed to Scott S. Trotter, whose telephone number is 571-272-7366. The examiner can normally be reached on 8:30 AM – 5:00 PM, M-F.

13. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell, can be reached on 571-272-6712.

14. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

15. The fax phone number for the organization where this application or proceeding is assigned are as follows:

(571) 273-8300 (Official Communications; including After Final Communications labeled "BOX AF")

(571) 273-6705 (Draft Communications)

sst
2/11/2008

/James P Trammell/

Supervisory Patent Examiner, Art Unit 3694